

Newspapers - file

Research

Total Newspaper Dollar Investment *(Millions)

	<u>National</u>		<u>Classified</u>		<u>Retail</u>		<u>Total</u>
1960	778	21.1%	803	21.8%	2,100	57.1%	3,681
1970	891	15.6%	1,521	26.7%	3,292	57.7%	5,704
1979	2,010	14%	4,430	31%	7,600	55.0%	14,040
1985	3,800	15%	8,100	32%	13,400	53%	25,300
1990	6,800	16%	14,100	33%	21,700	51.0%	42,600

Trend: Retail adv. will decline as % of total relative to classified & nat'l adv.

Source: NAB

Forecast

Trend: Increased use of preprinted inserts.

1970	6.8	billions	inserts
1978	24.2	"	"
1979	29.0	"	" (projected)
	42.6		@ 20% over 1978

Fast growing medium. More nat'l use of preprint (30% of total in 1978) in the 1980's as TV becomes more fragmented.

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	<u>A.M. Cinc.</u>	<u>P.M. Cinc.</u>	<u>Total Daily Cinc</u>
1950	21,266	32,563	53,829
1960	24,029	34,853	58,882
1970	25,934	36,174	62,108
1978	27,657	34,333	61,990

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Technological

Newspapers, Cont

Trend: Increased conversion of newspapers from letterpress to offset printing - better initial cost efficiency (letterpress equip. is now special order), improved reproduction abilities, more efficient maintenance and parts availability.

	1969	1978
offset	402 1347	1283 495
letterpress	1347	495
Total	1749	1778

2.3% of all daily papers
5.4% of total daily circ.

72.2% of all total papers
36.6% of total daily circ.

In next 5 yrs., larger papers will be converting to offset. The % of all daily papers printing by offset will not increase substantially, but the % of total daily circulation will.

However, the development of a new lightweight press based on letterpress concept is expected in 5-8 yrs. Likely users - those papers still printing by letterpress and offset users who installed equipment in the 1960's.

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Newspapers, cont

Technology

Trend: Satellite microwave transmission of advertising from centers throughout the U.S. to participating newspapers (those with receiving antennas). Plate is automatically reproduced at receiving newspapers with no loss of reproduction quality from the original. Color or B+W. Currently in use in Japan. Technology currently available - only hangup is FCC which requires expensive studies by ~~each~~ individual newspapers proving their antennas do not interfere with other transmissions in the market. The newspaper industry will seek blanket approval from the FCC for all papers since signals are no greater than that of a CB radio.

quote of Robert G. Marbut, pres. Harte-Hanks Commcn. Inc. In the 80's, some advertisers and advertising agencies will operate their own earth transmission stations, enabling them to be on line to a nationwide newspaper satellite network.

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Newspapers, cont.

Format

Trend : Increased sectionalization of newspapers. Trend will continue.

- 24 papers in top 10 mkt's publish special ^{daily} sections in regular, non-daily intervals

Reasons: Appeal to different segments of readers; attract increased ad lineage.

Delivery

Trend : Move towards alternative delivery systems in the '80's; away from boy deliveries, towards private delivery services which may also deliver magazines, preprints, coupons.

Longer range forecast : Home video receivers to receive newspaper content

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Newspapers cont.

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Trend: Newsprint costs continue to escalate
~~but~~ ^{but} supplies ~~will~~ will loosen by 1985.

	<u>newsprint / ton</u> <u>Eastern States</u>
1970	152
1976	305
1978	335
1980	400

Demand will increase ~~to~~ 15% by 1985, but prod. capacity should stay ahead of demand - per Jon Videll, prof. of Business, ^{Univ. of Madison}

Publishers continue search for an alternative to wood pulp fiber in manufacture of newsprint. One possibility under study - kenaf (hemp-like fiber) fiber newsprint funded by U.S. Dept. of Agriculture

Trend: Number of morning papers will continue to grow relative to total papers

Reasons: TV competition, news timeliness, necessity for early press starts, changes in lifestyle, fewer delivery problems

	<u>AM Papers</u>	<u>PM Papers</u>	<u>Total</u>	<u>Gross Circ.</u>
1960	312	1459	1763	58,900,000
1965	320	1444	1751	60,400,000
1970	334	1429	1748	62,100,000
1975	339	1436	1756	60,700,000
1978	355	1419	1769	61,900,000

Source: 1975
 NAB
 1978
 "The Newspaper Industry"
 ANPA Research Institute